



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
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BOARD OF SUPERVISORS

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August 30, 2005

TO: Each Supervisor

FROM: Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

SUBJECT: **COUNTY AGREEMENT WITH ACCORDIS – CHANGE OF OWNERSHIP**

This is to advise you that Accordis, Inc. (Accordis), a contracted vendor that currently provides financial management services for the Department of Health Services (DHS) pursuant to Los Angeles County Agreement No. H2105543, has informed DHS of a pending change of ownership of its company. HMS Holdings Corporation (HMS), the current parent company of Accordis, is planning a transaction to transfer 100% ownership of Accordis to Accordis Holding Corporation, a newly created independent company. The transaction is not expected to be publicly announced until the stock market closes on August 31, 2005, and HMS, a publicly traded company, has requested that this information not be disclosed until after the announcement is made. It is anticipated that all services currently provided to DHS by Accordis will remain unchanged.

DHS is requesting the required documentation to verify the change of ownership and ensure that the new company complies with all County contract requirements. When these documents are validated and approved by County Counsel, DHS intends to approve the transfer of ownership as allowed under the existing agreement. An amendment for the Board's approval will be forthcoming to delegate authority to the new company to continue the services provided to DHS under the existing agreement.

If you have questions or desire additional information, please let me know.

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c: Chief Administrative Officer  
County Counsel